

## Message Text

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PAGE 01 RABAT 01088 010835Z

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 EB-08 FRB-03  
INR-07 NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02 LAB-04  
SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01 PA-01 PRS-01  
/086 W

-----010955 087610 /22

R 010756Z MAR 77

FM AMEMBASSY RABAT

TO SECSTATE WASHDC 1127

INFO USIA WASHDC

AMEMBASSY OTTAWA

USDOC WASHDC

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E.O. 11652: N/A

TAGS: EGEN MO

SUBJECT: MOROCCO-CANADIAN FINANCIAL AGREEMENT

1. CANDIAN EXPORT DEVELOPMENT PRESIDENT MCDONALD ON  
FEBRUARY 25 CONCLUDED A THREE DAY VISIT TO RABAT WHERE  
HE AND MEMBERS OF HIS DELEGATION MET GOM FINANCE AND  
COMMERCE MINISTERS AND SIGNED SERIES OF FINANCIAL ACCORDS.  
HEAVY PUBLICITY INCLUDED FRONT PAGE TREATMENT ON EACH  
DAY OF VISIT AND WAS APPARENTLY ORCHESTRATED TO SERVE  
MOROCCAN INTERNAL PURPOSES IN A YEAR OF EXCEPTIONAL  
FINANCIAL STRINGENCY.

2. ACCORDING TO CANADIAN COMMERCIAL OFFICER WHO  
PARTICIPATED IN ALL MEETINGS, PRESS TREATMENT OF VISIT  
WAS EXAGGERATED AND MISLEADING IN SEVERAL RESPECTS  
REGARDING NATURE OF VISIT AND SCOPE OF AGREEMENTS REACHED.

3. WHAT PRESS HERALDED AS \$200 MILLION LOAN WAS IN  
FACT QUOTE EVEN LESS THAN A LINE OF CREDIT UNQUOTE.

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PAGE 02 RABAT 01088 010835Z

WHAT CANADIANS OFFERED WAS FAVORABLE CONSIDERATION  
TO FUTURE APPLICATIONS BY MOROCCAN IMPORTERS FOR  
SUPPLIER CREDITS UP TO \$200 MILLION LIMIT.

4. SECOND QUOTE AGREEMENT UNQUOTE RELATED TO SONASID  
STEEL COMPLEX AT NADOR. AGAIN, NO FORMAL LINE OF CREDIT  
WAS ESTABLISHED, BUT EXPORT DEVELOPMENT FUND AGREED TO

EXAMINE FAVORABLY APPLICATIONS FOR EQUIPMENT LOANS IN EVENT CANADIAN SUPPLIERS ARE SELECTED FOR ONE OR MORE ASPECTS OF PROJECT. CANADIAN EMBASSY CONTACT FRANKLY STATED, HOWEVER, THAT THERE HAS BEEN MINIMAL CANADIAN INTEREST IN NADOR.

5. COMMENT: ACCORDING TO INFORMATION AVAILABLE TO US, ONLY ONE CANADIAN FIRM, CONCAST, IS PREQUALIFIED TO BID, AND THIS IS FOR CONTINUOUS CASTING SUB-LOT ONLY. MORE-OVER, CONTRARY TO PRESS ACCOUNTS, NO LIST OF PROJECTS HAS BEEN AGREED UPON, THOUGH INDICATIVE LIST OF AREAS OF MUTUAL INTEREST IS IN PREPARATION. CANADIAN CONTACT SAYS THAT PRESS ALLUSIONS TO INVESTMENT PROJECTS MUST REFER TO INVESTMENT GUARANTEE AGREEMENT SIGNED TWO YEARS AGO. THERE ARE NO CURRENT INVESTMENTS IN PROGRESS OR CONTEMPLATED, THOUGH A COUPLE OF CONSULTANT STUDIES IN AGRO-INDUSTRY AND RANCHING SECTORS HAVE BEEN UNDERWAY FOR SOME TIME. ONLY REALISTIC PROSPECTS FOR FUTURE CANADIAN VENTURES WOULD LIE IN THESE SECTORS.

6. MOROCCANS HANDLED ALL PRESS ACTIVITIES INDEPENDENDLY. CANADIAN EMEBASSY WAS SURPRISED AT LEVEL OF PLAY AND DISTORTIONS OF SUBSTANCE, BUT DELIGHTED INsofar AS PUBLICITY HAS ATTRACTED ATTENTION TO CANADA AS A SOURCE OF SUPPLY--PRIMARY OBJECT OF THEIR COMMERCIAL ACTIVITIES HERE. END COMMENT.  
ANDERSON

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, FINANCIAL PROGRAMS  
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**Decaption Note:**  
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**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
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**TAGS:** EGEN, MO, CA  
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**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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